

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 02-0415P

**Withholding Tax
Calendar Year 2001**

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ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer filed its WH-3 late and was assessed ten dollars (\$10) for each late filed W-2.

Taxpayer protests the penalty assessed and states that its return was due on January 30, 2002, and the return and payment were submitted on January 12, 2002.

1. **Tax Administration** – Penalty

DISCUSSION

Taxpayer requests the department waive the penalty for its failure to file information returns timely.

The Annual Withholding Tax Reconciliation Return shows that thirteen (13) W-2 forms were submitted to the Department on March 5, 2002 which was clearly late. The taxpayer erred in its assumption that the penalty is due to late payment of tax. Penalty applies to the late filing of an information return, as the taxpayer has not provided reasonable cause for its failure to file.

FINDING

Taxpayer's protest is denied.